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ACTION EA-12
INFO OCT-01 ARA-11 EUR-12 ADS-00 CIAE-00 INR-10
NSAE-00 EB-08 H-01 SS-15 SP-02 NSC-05 TRSE-00
SMS-01 /078 W
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EXCISE

b-1
E-1

R 280848Z MAR 80
FM AMEMBASSY BEIJING
TO SECSTATE WASHDC 2685
INFO AMEMBASSY BUDAPEST
AMEMBASSY BUCHAREST
AMEMBASSY BELGRADE
AMEMBASSY MOSCOW
AMEMBASSY SOFIA
AMCONSUL HONG KONG
AMEMBASSY SEOUL
AMEMBASSY WARSAW
AMEMBASSY BERLIN
AMEMBASSY PRAGUE
AMEMBASSY HAVANA

DEPARTMENT OF STATE A/CDC/MR
REVIEWED BY HKS DATE 5/21/87
PORTIONS DENIED AS INDICATED

C O N F I D E N T I A L BEIJING 2796
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E.O. 12065: GDS 3/25/86 (WOODCOCK, LEONARD) OR-M
TAGS: ETRD, CH
SUBJECT: PRC TRADE WITH SOCIALIST COUNTRIES
1. C - ENTIRE TEXT.
2. E b-1, E-1
HAS PROVIDED US WITH THE FOLLOWING INFORMATION ON PRC TWO-WAY TRADE WITH SOCIALIST COUNTRIES IN 1979. SOURCE OBTAINED THIS INFORMATION b-1, E-1

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1979	UNIT: MILLION SWISS FRANCS
USSR	800
DPRK	800
GDR	630
POLAND	430
CZECHOSLOVAKIA	390
HUNGARY	231
HUGOSLAVIA	160
BULGARIA	150
MONGOLIA	13
CUBA	220
ROMANIA	1,600

3. PRC HAS BEGUN TO NEGOTIATE AND SIGN 1980 TRADE PROTOCOLS WITH SOCIALIST TRADING PARTNERS. ØPRC-HUGOSLAV 1980 PROTOCOL WAS CONCLUDED IN LATE DECEMBER 1979 BY YUGOSLAV UNDER-SECRETARY FOR FOREIGN TRADE BASIC AND

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PRC VICE MINISTE OF FOREIGN TRADE CHEN JIE. THE PROTOCOL CONTAINS AN INDICATIVE LIST OF COMMODITIES TOTALLING US $140 MILLION FOR HUGOSALV EXPORTS TO CHINA AND $150 MILLION IN IMPORTTS. PRC-ROMANIA PROTOCOL WAS SIGNED FEBRUARY 29 IN BEIJING BY MINISTER OF FOREIGN TRADE LI QIANG AND ROMANIAN DEPUTY PRIME MINISTER CORNEL BURTICA. HIGHLIGHTS WILL BE REPORTED BY SEPTEL. THE PRC-CZECHOSLOVAKIA AGREEMENT WAS SIGNED IN BEIJING ON MARCH 22 BY VICE MINSTER OF FOREIGN TRADE CUI QUN AND MOROSLAV BURSA, LEADER OF A CZECHOSLOVAK TRADE DELEGATION. HIGHLIHGTS OF PRC-DUBAN 1980, PROTOCOL, SIGNED THIS MONTH, CONTAINED HAVANA 2689. IN ADDITION TO ABOVE, WE UNDERSTAND THAT 1980 PROTOCOLS HAVE BEEN CONCLUDED WITH POLAND, BULGARIA, AND MPR. USSR HAS PRESENTED 1980 COMMODITY LIST AND IS WAITING FOR REPLY (SEE MOSCOW 4790 AND
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BEIJING 1750).
4. COMMENT: LAST YEAR, ACCORDING TO OFFICIAL TRADE STATISTICS, TOTAL CHINESE FOREIGN TRADE WAS ABOUT US DOLS 29.0 BILLION (CONVERTED FROM RMS AT 1.56:1). TOTAL PRC TRADE WITH THE SOCIALIST COUNTRIES LISTED PARA 2 ABOVE WAS ONLY ABOUT DOLS 5 BILLION (CONVERTED FROM SWISS FRANCS AT 1.6:1) OR ABOUT 17 PERCENT OF THE TOTAL. LEAVING ASIDE ROMANIA AND HUGOSLAVIA, WHOSE TRADW TIH CHINA WAS ATYPICAL, THE PROPORTION WAS ONLY ABOUT 14 PERCENT. MOST EASTERN EUROPEANS WE HAVE TALKED WITH EXPECT 1980 TRADE VOLUME WITH PRC TO BE ABOUT THE SAME AS (OR LOWER THAN) LAST YEAR, BUT VALUE MAY BE HIGHER DUE TO INFLATION.
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